



Thursday, September 28, 2006

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**Purchasing Office
RECOMMENDATION FOR COUNCIL ACTION**

ITEM No. 43

Subject: Authorize award and execution of a 24-month requirements supply contract with POWER SUPPLY INC., Austin, TX, for distribution capacitors in an estimated amount not to exceed \$132,000, with two 12-month extension options in an estimated amount not to exceed \$66,000 per extension option, for a total estimated contract amount not to exceed \$264,000.

Amount and Source of Funding: Funding in the amount of \$66,000 is available in the Fiscal Year 2006-2007 Approved Operating Budget of the Austin Energy Department. Funding for the remaining 12 months of the original contract period and extension options is contingent upon available funding in future budgets.

Fiscal Note: There is no unanticipated fiscal impact. A fiscal note is not required.

**Additional Backup
Material**

(click to open)

**POWER SUPPLY
092806_BID_TAB**

For More Information: Gabriel Guerrero, Buyer II/322-6060

Purchasing Language: Lowest bid of three bids received.

MBE/WBE: This contract will be awarded in compliance with Chapter 2-9D of the City Code (Minority Owned and Women Owned Business Enterprise Procurement Program) No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

This contract is for the supply of distribution capacitors. These capacitors will be used to replenish stock at Austin Energy's Kramer and St. Elmo warehouses on an as needed basis. The capacitors will help stabilize the City's electrical power distribution system voltage as customer load (use of electricity) increases due to growth.

MBE/WBE Solicited: 2/2 MBE/WBE Bid: 0/0

PRICE ANALYSIS a. Adequate competition. b. Fourteen notices were sent, including two MBEs and two WBEs. Three solicitations were issued. Three bids were received with no response from the MBEs/WBEs. c. The pricing offered represents a 35% increase to the last contract award July 2003. The increase is due to the price increases in steel and copper products.

APPROVAL JUSTIFICATION a. Lowest bid. b. The Purchasing Office concurs with Austin Energy's recommended award. c. Advertised on the Internet.

AGENDA DATE: 09/28/06
VENDOR NAME: POWER SUPPLY

BID TABULATION
IFB No. GG06100013
Distribution Capacitors
(300 capacitors)

<u>VENDOR</u>	<u>Unit Price</u>	<u>Total Price</u>
Power Supply Austin, TX	\$440	\$132,000
Apfelbaum Ind. Inc. El Paso, TX	\$474.50	\$142,350
General Electric Supply Austin, TX	\$485	\$145,500